



General Assembly

January Session, 2015

Committee Bill No. 25

LCO No. 2998



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

***AN ACT CONCERNING OUT-OF-POCKET EXPENSES FOR
PRESCRIPTION DRUGS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-510 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective January 1, 2016*):

3 (a) No insurance company, hospital service corporation, medical
4 service corporation, health care center or other entity delivering,
5 issuing for delivery, renewing, amending or continuing an individual
6 health insurance policy or contract that provides coverage for
7 prescription drugs may:

8 (1) Require any person covered under such policy or contract to
9 obtain prescription drugs from a mail order pharmacy as a condition
10 of obtaining benefits for such drugs; [or]

11 (2) Impose a coinsurance, copayment, deductible or other out-of-
12 pocket expense that exceeds one hundred dollars per thirty-day supply
13 for a covered prescription drug;

14 (3) Place all prescription drugs in a given class in the highest cost-

15 sharing tier of a tiered prescription drug formulary; or

16 [(2)] (4) (A) Require, if such insurance company, hospital service
17 corporation, medical service corporation, health care center or other
18 entity uses step therapy for such drugs, the use of step therapy for any
19 prescribed drug for longer than sixty days. At the expiration of such
20 time period, an insured's treating health care provider may deem such
21 step therapy drug regimen clinically ineffective for the insured, at
22 which time the insurance company, hospital service corporation,
23 medical service corporation, health care center or other entity shall
24 authorize dispensation of and coverage for the drug prescribed by the
25 insured's treating health care provider, provided such drug is a
26 covered drug under such policy or contract. If such provider does not
27 deem such step therapy drug regimen clinically ineffective or has not
28 requested an override pursuant to [subdivision (1) of subsection (b) of
29 this section] subparagraph (B) of this subdivision, such drug regimen
30 may be continued. For purposes of this section, "step therapy" means a
31 protocol or program that establishes the specific sequence in which
32 prescription drugs for a specified medical condition are to be
33 prescribed.

34 [(b) (1)] (B) Notwithstanding the sixty-day period set forth in
35 [subdivision (2) of subsection (a) of this section] subparagraph (A) of
36 this subdivision, each insurance company, hospital service
37 corporation, medical service corporation, health care center or other
38 entity that uses step therapy for such prescription drugs shall establish
39 and disclose to its health care providers a process by which an
40 insured's treating health care provider may request at any time an
41 override of the use of any step therapy drug regimen. Any such
42 override process shall be convenient to use by health care providers
43 and an override request shall be expeditiously granted when an
44 insured's treating health care provider demonstrates that the drug
45 regimen required under step therapy [(A)] (i) has been ineffective in
46 the past for treatment of the insured's medical condition, [(B)] (ii) is
47 expected to be ineffective based on the known relevant physical or

48 mental characteristics of the insured and the known characteristics of
49 the drug regimen, [(C)] (iii) will cause or will likely cause an adverse
50 reaction by or physical harm to the insured, or [(D)] (iv) is not in the
51 best interest of the insured, based on medical necessity.

52 [(2)] (C) Upon the granting of an override request, the insurance
53 company, hospital service corporation, medical service corporation,
54 health care center or other entity shall authorize dispensation of and
55 coverage for the drug prescribed by the insured's treating health care
56 provider, provided such drug is a covered drug under such policy or
57 contract.

58 [(c)] (D) Nothing in this [section] subdivision shall [(1)] (i) preclude
59 an insured or an insured's treating health care provider from
60 requesting a review under sections 38a-591c to 38a-591g, inclusive, or
61 [(2)] (ii) affect the provisions of section 38a-492i.

62 (b) The provisions of subdivision (2) of subsection (a) of this section
63 shall not apply to a high deductible health plan, as that term is used in
64 subsection (f) of section 38a-493, until after the minimum annual
65 deductible for such plan has been met.

66 Sec. 2. Section 38a-544 of the general statutes is repealed and the
67 following is substituted in lieu thereof (*Effective January 1, 2016*):

68 (a) No insurance company, hospital service corporation, medical
69 service corporation, health care center or other entity delivering,
70 issuing for delivery, renewing, amending or continuing a group health
71 insurance policy or contract that provides coverage for prescription
72 drugs may:

73 (1) Require any person covered under such policy or contract to
74 obtain prescription drugs from a mail order pharmacy as a condition
75 of obtaining benefits for such drugs; [or]

76 (2) Impose a coinsurance, copayment, deductible or other out-of-
77 pocket expense that exceeds one hundred dollars per thirty-day supply

78 for a covered prescription drug;

79 (3) Place all prescription drugs in a given class in the highest cost-
80 sharing tier of a tiered prescription drug formulary; or

81 ~~[(2)]~~ (4) (A) Require, if such insurance company, hospital service
82 corporation, medical service corporation, health care center or other
83 entity uses step therapy for such drugs, the use of step therapy for any
84 prescribed drug for longer than sixty days. At the expiration of such
85 time period, an insured's treating health care provider may deem such
86 step therapy drug regimen clinically ineffective for the insured, at
87 which time the insurance company, hospital service corporation,
88 medical service corporation, health care center or other entity shall
89 authorize dispensation of and coverage for the drug prescribed by the
90 insured's treating health care provider, provided such drug is a
91 covered drug under such policy or contract. If such provider does not
92 deem such step therapy drug regimen clinically ineffective or has not
93 requested an override pursuant to [subdivision (1) of subsection (b) of
94 this section] subparagraph (B) of this subdivision, such drug regimen
95 may be continued. For purposes of this section, "step therapy" means a
96 protocol or program that establishes the specific sequence in which
97 prescription drugs for a specified medical condition are to be
98 prescribed.

99 ~~[(b) (1)]~~ (B) Notwithstanding the sixty-day period set forth in
100 [subdivision (2) of subsection (a) of this section] subparagraph (A) of
101 this subdivision, each insurance company, hospital service
102 corporation, medical service corporation, health care center or other
103 entity that uses step therapy for such prescription drugs shall establish
104 and disclose to its health care providers a process by which an
105 insured's treating health care provider may request at any time an
106 override of the use of any step therapy drug regimen. Any such
107 override process shall be convenient to use by health care providers
108 and an override request shall be expeditiously granted when an
109 insured's treating health care provider demonstrates that the drug

110 regimen required under step therapy [(A)] (i) has been ineffective in
 111 the past for treatment of the insured's medical condition, [(B)] (ii) is
 112 expected to be ineffective based on the known relevant physical or
 113 mental characteristics of the insured and the known characteristics of
 114 the drug regimen, [(C)] (iii) will cause or will likely cause an adverse
 115 reaction by or physical harm to the insured, or [(D)] (iv) is not in the
 116 best interest of the insured, based on medical necessity.

117 [(2)] (C) Upon the granting of an override request, the insurance
 118 company, hospital service corporation, medical service corporation,
 119 health care center or other entity shall authorize dispensation of and
 120 coverage for the drug prescribed by the insured's treating health care
 121 provider, provided such drug is a covered drug under such policy or
 122 contract.

123 [(c)] (D) Nothing in this [section] subdivision shall [(1)] (i) preclude
 124 an insured or an insured's treating health care provider from
 125 requesting a review under sections 38a-591c to 38a-591g, inclusive, or
 126 [(2)] (ii) affect the provisions of section 38a-518i.

127 (b) The provisions of subdivision (2) of subsection (a) of this section
 128 shall not apply to a high deductible health plan, as that term is used in
 129 subsection (f) of section 38a-520, until after the minimum annual
 130 deductible for such plan has been met.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2016	38a-510
Sec. 2	January 1, 2016	38a-544

Statement of Purpose:

To limit coinsurance, copayments, deductibles or other out-of-pocket expenses imposed on insureds for prescription drugs.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. CRISCO, 17th Dist.; REP. ORANGE, 48th Dist.

S.B. 25